

General Assembly

Raised Bill No. 1173

January Session, 2007

LCO No. 4342

____SB01173JUD___043007____

Referred to Committee on General Law

Introduced by: (GL)

AN ACT CONCERNING PENALTIES FOR THE SALE AND PURCHASE OF CIGARETTES BELOW COST.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 12-326b of the general statutes is repealed and the
- 2 following is substituted in lieu thereof (*Effective July 1, 2007*):
- 3 (a) No distributor or dealer shall, with intent to injure competitors
- 4 or destroy or substantially lessen competition, sell cigarettes in this
- 5 state below cost and no distributor or dealer shall, with intent to injure
- 6 competitors or destroy or substantially lessen competition, buy
- 7 cigarettes in this state below cost.
- 8 (b) A violation of subsection (a) of this section shall be an unfair or
- 9 <u>deceptive act or practice pursuant to subsection (a) of section 42-110b.</u>
- Sec. 2. Section 12-326g of the general statutes is repealed and the
- 11 following is substituted in lieu thereof (*Effective July 1, 2007*):
- 12 (a) Any dealer violating any provision of sections 12-326a to 12-
- 13 326h, inclusive, shall be fined not more than two hundred fifty dollars
- 14 for the first offense and not more than five hundred dollars for each

subsequent offense. <u>Each sale of a carton of cigarettes in violation of subsection (a) of section 12-326b, as amended by this act, shall constitute a separate offense.</u>

(b) Any distributor violating any provision of sections 12-326a to 12-326h, inclusive, shall be fined not more than one thousand dollars for the first offense, not more than five thousand dollars for the second offense, and not more than ten thousand dollars for each subsequent offense. Each sale of a carton of cigarettes in violation of subsection (a) of section 12-326b, as amended by this act, shall constitute a separate offense.

| This act shall take effect as follows and shall amend the following | | |
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| sections: | | |
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| Section 1 | July 1, 2007 | 12-326b |
| Sec. 2 | July 1, 2007 | 12-326g |

GL Joint Favorable

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JUD Joint Favorable